SUBSTITUTE MOTION for Item 23

On March 17, 2009, the Department of Public Works awarded a contract to A.M. Classic Construction, Inc., for the seismic strengthening of the Queens Way Southbound, Ramps J & K, over Harbor Scenic Drive in the City of Long Beach. This is a very important bridge serving the Port of Long Beach.

On November 19, 2010, A.M. Classic demobilized from the project site when the project was approximately 35 percent complete. On December 10, 2010, Public works notified A.M. Classic to resume work or risk being found in default. A.M. Classic has not returned to work on the project.

On March 8, 2011, Public Works' recommendation to default A.M. Classic came before the Board, and this Board directed Public Works and County Counsel to hold a hearing to determine if there is a reasonable basis for finding A.M. Classic in default of the contract.

A hearing was held on April 8, 2011. The hearing officer's report was issued last week and concluded there was a reasonable basis for Public Works to recommend that A.M. Classic be found in default of its contract. However, the hearing officer also found that there were unresolved questions about the extent to which Public Works may have contributed to A.M. Classic's problems in completing the work, and recommended that the contract be terminated for the convenience of the County.

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A termination for convenience is not in the best interest of the County and its MOTION

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residents because it would delay the completion of a much-needed seismic retrofit of an important bridge.

The President of A.M. Classic said at the hearing that he wanted to complete the job, and the quickest way to get this job finished is if Public Works and A.M. Classic can work out their differences and get back to work on the bridge.

All possible courses of action need to be considered. There is an opportunity to negotiate with A.M. Classic on matters that have value to the project and to get the contractor back on the job. If those negotiations are not successful, Public Works can recommend other courses of action, including termination for default.

- **I, THEREFORE, MOVE** that the Board of Supervisors direct the Department of Public Works, with the assistance of County Counsel, to negotiate with A.M. Classic to see if they can resolve their differences, and to determine what steps can be taken to get A.M. Classic back to work as soon as possible;
- **I, FURTHER, MOVE** that the Board of Supervisors direct Public Works to report back to the Board on May 24, 2011 on the status of the negotiations and recommendations for completing the project.

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